



T R E A S U R E R

MEDIA RELEASE

Roozendaal welcomes OECD data which shows stimulus packages are working

NSW Treasurer Eric Roozendaal today welcomed the latest OECD report which proves government stimulus packages have minimised job losses and protected the Australian economy.

Between 150,000 and 200,000 jobs would have been shed in Australia by the end of 2010 had the stimulus measures not been applied, the Organisation for Economic Co-operation and Development (OECD) found.

Mr Roozendaal rejected calls by the NSW and Federal oppositions to stop or pull back stimulus measures.

“Now is not the time to stop the support of the stimulus measures,” Mr Roozendaal said.

“We moved swiftly and decisively to protect Australian and NSW jobs. Overseas we are seeing jobless rates in the UK hit a 13-year high while concerns in the US are for a “job-less” economic recovery.

“It is good news to see the OECD give the Australian economy a ‘big tick’.”

NSW leads Australia in our investment in infrastructure – a \$62.9 billion building program over the next four years, supporting 160,000 jobs a year.

The NSW Government is investing \$18 billion into NSW infrastructure this year alone.

“We are beginning to see the green shoots of recovery in our economy, despite the toughest global economic conditions in 75 years,” Mr Roozendaal said.

“Australia has avoided the depths of the global recession, unlike most of our major trading partners, in large part due to the stimulus measures of Federal and State governments.

“The strength of our financial institutions and the underlying competitiveness of the Australian economy shielded us from the full brunt of the financial storm.”

The NSW economy is showing the green shoots of recovery:

- State Final Demand increased by 0.5 per cent in the June quarter, while in contrast Queensland recorded a decline.
- Through the year, NSW State Final Demand grew by 0.8 per cent – which is just above growth of 0.7 per cent in Australian domestic final demand.

- In August, the number of NSW jobs advertised in newspapers rose by 24.2 per cent - the highest in the nation.
- The NSW unemployment rate for August remained unchanged at 6.1 per cent, while Victoria's increased from 5.9 per cent to 6.3 per cent - making their rate the highest in the country.
- And of course the NSW AAA credit rating has been reaffirmed with a stable outlook.

Since September 2008, the NSW Government has determined 447 major projects, supporting nearly 62,000 jobs and more than \$19 billion worth of investment in NSW.

There is also good news for the NSW economy on the jobs front:

- US retail giant Costco plans an expansion into NSW with its first warehouse at Auburn to support at least 200 jobs
- JB Hi-Fi will open a further 17 new stores over three years, creating 765 jobs
- Bunnings will create more than 700 jobs in NSW and invest \$148 million into the NSW economy with six new Bunnings
- Myer will open a further three new stores in NSW between now and 2013

"Investing in infrastructure means investing in jobs - and investing in the future of both NSW and Australia," Mr Roozendaal said.